

~~Review To~~ WJ

TETON - UNITED NUCLEAR
NEW MEXICO

PROPERTY STATUS REPORT

as of

JANUARY 1, 1971

UNC0090495

The following are the properties held by Teton-United Nuclear in New Mexico as of January 1, 1971.

RIO PUERCO AREA

SFPRR Lease # 9819
T13N, R1W (King Ranch Area) SFPRR

All - Section 14	640.00 acres
N/2, E/2SE/4, N/2SW/4 - Section 22	480.00 acres
N/2, W/2SE/4, SW/4 - Section 26	560.00 acres
E/2, Lots 1 & 2 NW/4, Lots 3 & 4 SW/4 - Section 28	338.90 acres
All - Section 34	640.00 acres

NON-PRODUCING These properties acquired by bid of Santa Fe Pacific Railroad offered November 12, 1968, on the east side of the Rio Puerco. The area has been partially explored but no significant mineralization has been found in either the Jackpile or the Westwater.

Obligation: Three year lease option dated 12/10/68. Ten dollars per acre in exploration was spent in the first two year period; third year of lease (12/10/70 to 12/10/71) no required drilling but lease will terminate at the end of the third year unless we "...operate...steadily and continuously" during the lease period. Another alternative may be that if we are willing to increase the rental schedule to \$10.00/acre plus \$2.00/acre advance royalty, the Santa Fe Pacific Railroad may be willing to let us keep it.

T13N, R1W (King Ranch Area) SFPRR Lease #9814

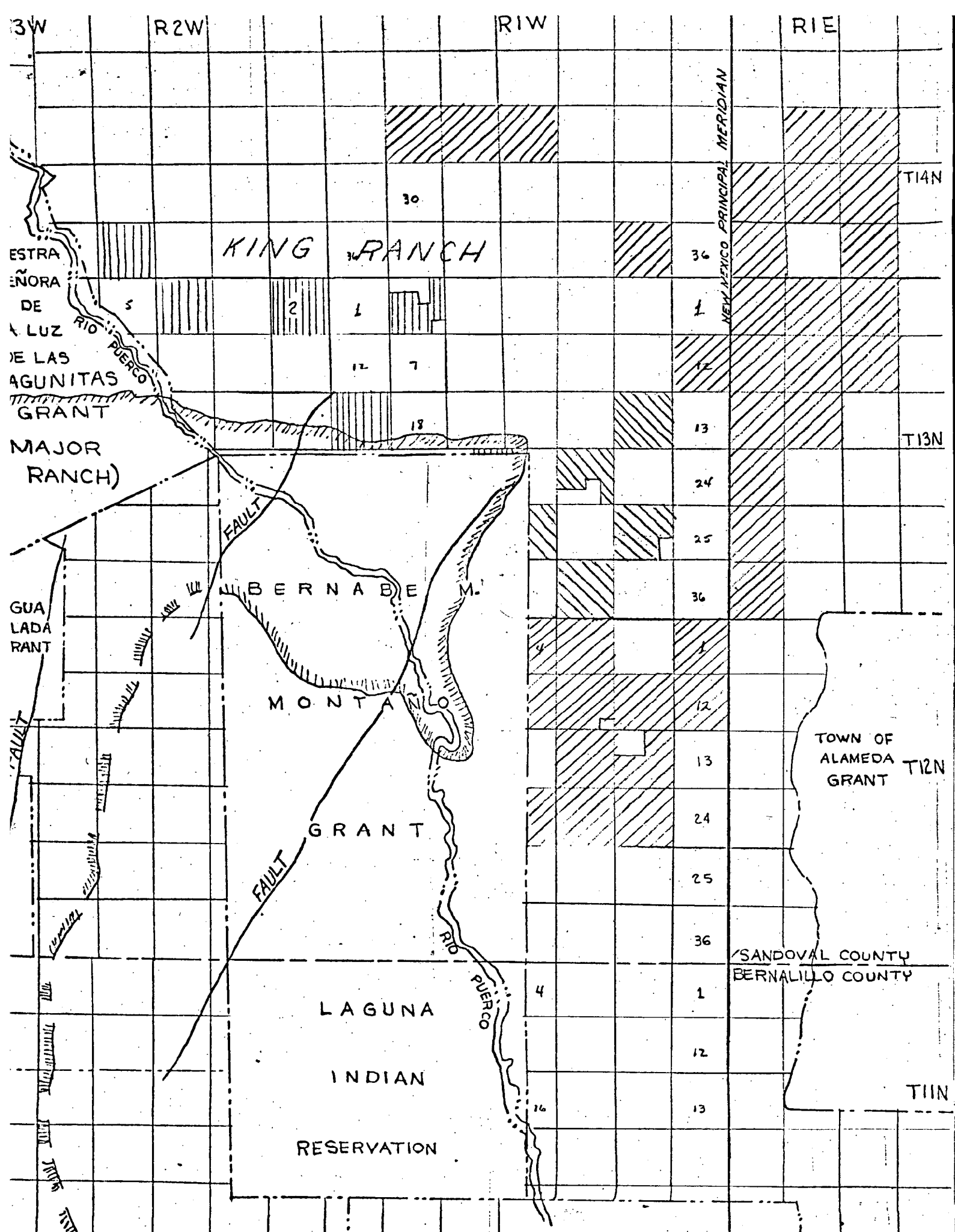
Lot 1 NE/4, SE/4NE/4, Lot 5 NW/4, SE/4NW/4,
NE/4SE/4, W/2SE/4, Lot 6 SW/4, Lot 7 SW/4,
E/2SW/4 - Section 6 437.77 acres

T13N, R2W (King Ranch)

All - Section 4	640.00 acres
All - Section 13	640.00 acres

NON-PRODUCING These properties acquired by bid of Santa Fe Pacific Railroad offered November 12, 1968, on the east side of the Rio Puerco. The area has been partially explored but no significant mineralization has been found in either the Jackpile or the Westwater.

Obligation: Three year lease-option dated 12/11/68. Obligations are all met and property appears to have no potential. Recommend it be released back to American Uranium.



UNC0090497

SFPRR Lease # 9841

T12N, R1W (King Ranch Area) SFPRR

Lots 1 & 2 NE/4, S/2N/2, Lots 3 & 4 NW/4, S/2 - Section 1	641.98 acres
Lots 1 & 2 NE/4, S/2N/2, Lots 3 & 4 NW/4, S/2 - Section 3	647.18 acres
Lots 1, 2, 3 & 4 NE/4, Lots 5, 6, 7 & 8 SE/4 of Section 4	343.57 acres
Lots 1, 2, 3, & 4 NE/4, Lots 5, 6, 7, & 8 SE/4 of Section 9	341.56 acres
N/2, N/2SE/4, SW/4SE/4, SW/4 - Section 10	600.00 acres
All - Section 11	640.00 acres
All - Section 12	640.00 acres
E/2, SW/4 - Section 14	480.00 acres
All - Section 15	640.00 acres
Lots 1, 2, 3, & 4 NE/4, Lots 5, 6, 7, & 8 SE/4 of Section 21	341.64 acres
All - Section 22	640.00 acres
All - Section 23	640.00 acres

T13N, R1E (King Ranch)

Lots 1, 2 NE/4, S/2N/2, Lots 3, 4 NW/4, S/2 of Section 4	647.16 acres
Lots 1, 2 NE/4, S/2N/2, Lots 3, 4 NW/4, S/2 of Section 5	650.80 acres
Lots 1, 2 NE/4, S/2NE/4, Lots 3, 4, 5 NW/4, SE/4NW/4, SE/4, Lots 6, 7 SW/4, E/2SW/4 of Section 6	615.05 acres
E/2, Lots 1, 2 NW/4, E/2W/2, Lots 3, 4 SW/4 of Section 7	599.88 acres
All - Section 8	640.00 acres
All - Section 9	640.00 acres
All - Section 17	640.00 acres
E/2, Lots 1, 2 NW/4, E/2W/2, Lots 3, 4 SW/4 of Section 18	600.68 acres
E/2, Lots 1, 2 NW/4, E/2W/2, Lots 3, 4, SW/4 of Section 19	602.52 acres
NE/4, Lots 1, 2 NW/4, E/2NW/4, N/2SE/4, SE/4SE/4, SW/4SE/4, Lots 3, 4 SW/4, E/2SW/4 of Section 30	606.27 acres
NE/4, Lots 1, 2 NW/4, E/2NW/4, Lots 6, 7 SE/4, N/2SE/4, Lots 3, 4, 5 SW/4, NE/4SW/4 - Section 31	591.45 acres

T13N, R1W (King Ranch)

All - Section 12	640.00 acres
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T14N, R1E (King Ranch)

All - Section 20	640.00 acres
All - Section 21	640.00 acres
All - Section 28	640.00 acres
All - Section 29	640.00 acres
E/2, Lots 1, 2 NW/4, E/2W/2, Lots 3, 4 SW/4 of Section 30	601.16 acres
E/2, Lots 1, 2 NW/4, E/2W/2, Lots 3, 4 SW/4 of Section 31	603.04 acres
All - Section 33	640.00 acres

T14N, R1W (King Ranch)

E/2, Lots 1, 2 NW/4, E/2W/2, Lots 3, 4 SW/4 of Section 19	638.00 acres
All - Section 20	640.00 acres
All - Section 21	640.00 acres
All - Section 35	640.00 acres

NON-PRODUCING These properties acquired by negotiations with Santa Fe Pacific Railroad in November 1969. Few holes drilled in T14N, R1W: no significant mineralization.

Obligation: Five year lease-option with sliding scale rental schedule (\$5.00/acre in fifth year).

T13N, R2W (King Ranch Area) State

All - Section 2	640.00 acres
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T14N, R2W (King Ranch Area) State

All (Fractional) - Section 32	631.72 acres
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NON-PRODUCING Two state leases acquired from Specso, Inc. in 1970. Properties drilled in December and January; neither have any promise. Recommend they be released.

Obligation: 2000 feet of drilling per section was met and property will be reassigned to Specso.

TOWNSHIPS 13 & 14 NORTH - RANGES 2 & 3 WEST
(MAJOR'S RANCH)

The property has not been subdivided because it is private land. Roughly defined as the E/2 of the Nuestra Senora de la Luz de las Lagunitas Grant.

NON-PRODUCING Property explored in 1970 and a geochemical cell established but the mineralization is too weak to be considered economic.

Obligation: The western portion of the lease was dropped in October 1970 and 14,000 acres was retained (see map). Advance royalty of \$1.00/acre on all acreage retained with minimum payment (beginning October 1971) of \$5,000.00.

ARCH MESA AREA

SFPRR Lease #9819
T12N, R3W

NW/4 & SE/4 - Section 31 (SFPRR) 320.00 acres

NON-PRODUCING These Santa Fe Pacific Railroad lands also acquired by bid dated 12/10/68. Property now in third year of option but appears unfavorable and should be dropped anyway.

Obligation: Three year lease option dated 12/10/68. Ten dollars per acre in exploration was spent in the first two year period; third year of lease (12/10/70 to 12/10/71) no required drilling but lease will terminate at the end of the third year unless we "...operate...steadily and continuously" during the lease period. Another alternative may be that if we are willing to increase the rental schedule to \$10.00/acre plus \$2.00/acre advance royalty, the Santa Fe Pacific Railroad may be willing to let us keep it.

SFPRR Lease #9589
SE/4 - Section 19

160.00 acres

NON-PRODUCING Old lease drilled in 1970 showed altered ground. Eligible for sale or farm-out.

Obligation: Lease will expire 3/15/71; recent negotiations with Santa Fe Pacific Railroad indicates we can hold this lease for \$10.00/acre rent plus \$2.00/acre advance royalty. Advance royalty will increase \$2.00/year to \$10.00.

SFPRR Lease #9589
T12N, R4W

NE/4 - Section 13 160.00 acres

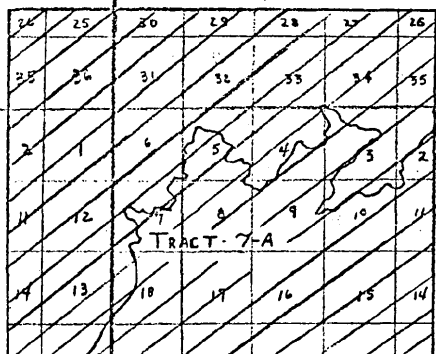
NON-PRODUCING Small ore pod found in the Jackpile member. The reserves are not sufficient to justify a shaft to 450 feet.

Obligation: Lease will expire 3/15/71; recent negotiations with Santa Fe Pacific Railroad indicates we can hold this lease for \$10.00/acre rent plus \$2.00/acre advance royalty. Advance royalty will increase \$2.00/year to \$10.00.

/// = U.M.C. MINERAL RIGHTS
SF = SANTA FE PACIFIC R.R.

LAGUNA AREA

L-BAR RANCH
(RESERVE & SOHIA)



TRACT-3

TRACT-1

L-BAR ST. ANTHONY

JACK PILE

PAGHAT

HOUBING

Private Lease (American Uranium)

T11N, R3W

Approx. description: SW/4NE/4, NW/4SE/4, N/2SW/4, S/2SE/4SW/4 - Section 8	151.57 acres
All (Fractional) - Section 18	582.64 acres
N/2 (Fractional) - Section 19	286.22 acres
Approx. W/2NW/4 - Section 20	86.91 acres

T11N, R4W

W/2E/2, W/2 (Fractional) - Section 12	377.10 acres
N/2 (Fractional)- Section 24	316.25 acres

NON-PRODUCING These properties covered by mining claims acquired from American Uranium Co. Recent drilling indicates these sections are unfavorable and should be released.

Obligation: All obligations have been met and property will be re-assigned to American prior to 6/1/71.

LAGUNA AREA

<u>Cebolleta Lease (rough description)</u>	24,217.40 acres
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T11N, R4W

S/2 - Sec. 19; S/2 - Sec. 20; S/2 - Sec. 21;
S/2 - Sec. 22; SW/4 - Sec. 23; NW/4 - Sec. 26;
All - Sec. 27; All - Sec. 28; N/2 - Sec. 29;
N/2 - Sec. 20; NE/4 - Sec. 33; NW/4 - Sec. 34.

T11N, R5W

W/2 - Sec. 2; All - Sections 3, 4, 5, 6, 7, 8,
9, 10; W/2 - Sec. 11; W/2 - Sec. 14; All - Sections
15, 16, 17, 18, 19, 20, 21, 22; S/2 & NW/4 - Sec. 23;
S/2 - Sec. 24; N/2 - Sec. 25; N/2 - Sec. 26; N/2 - Sec. 27;
NE/4 - Sec. 28.

T12N, R5W

SW/4 - Sec. 26; S/2 - Sec. 27; S/2 - Sec. 28; S/2 - Sec. 29;
S/2 - Sec. 30; All - Sections 31, 32, 33, 34; W/2 - Sec. 35.

T11N, R6W

All - Sections 1, 12, 13, 24; E/2 - Sec. 2; E/2 - Sec. 11;
E/2 - Sec. 14; SE/4 & E/2SW/4 - Sec. 22; S/2 & NE/4 - Sec. 23;
N/2 - Sec. 26; NE/4, E/2NW/4, SE/4NW/4, NE/4SW/4 - Sec. 27;
N/2N/2SE/4 - Sec. 19; N/2SW/4 - Sec. 20.

T12N, R6W

S/2 - Sec. 25; SE/4 - Sec. 26; E/2 - Sec. 35; All - Sec. 36.

This private property acquired from the Seboyeta Land and Cattle Co. in 1964. Previously explored and mined by Climax Uranium Co.

Current reserves are as follows:

Total -	1,561,945	.188	5,874,446
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The property has not been fully explored and an estimated two million additional pounds will be discovered around the ore body.

Obligation: 10 year lease dated 2/6/64; annual rent of \$.25 per acre for 24,217.40 acres due on anniversary date. Production must be realized by 2/6/74.

GRANTS AREA

T13N, R8W

E/2 - Section 18 (Palo Verde Claims) approx. 320.00 acres

NON-PRODUCING Ownership of property 100% UNC with royalty agreement to Moreno. Estimated reserves are:

<u>527,117</u> Tons	<u>.229</u>	<u>2,409,884</u> Pounds
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Obligation: Annual Assessment on 22 claims.

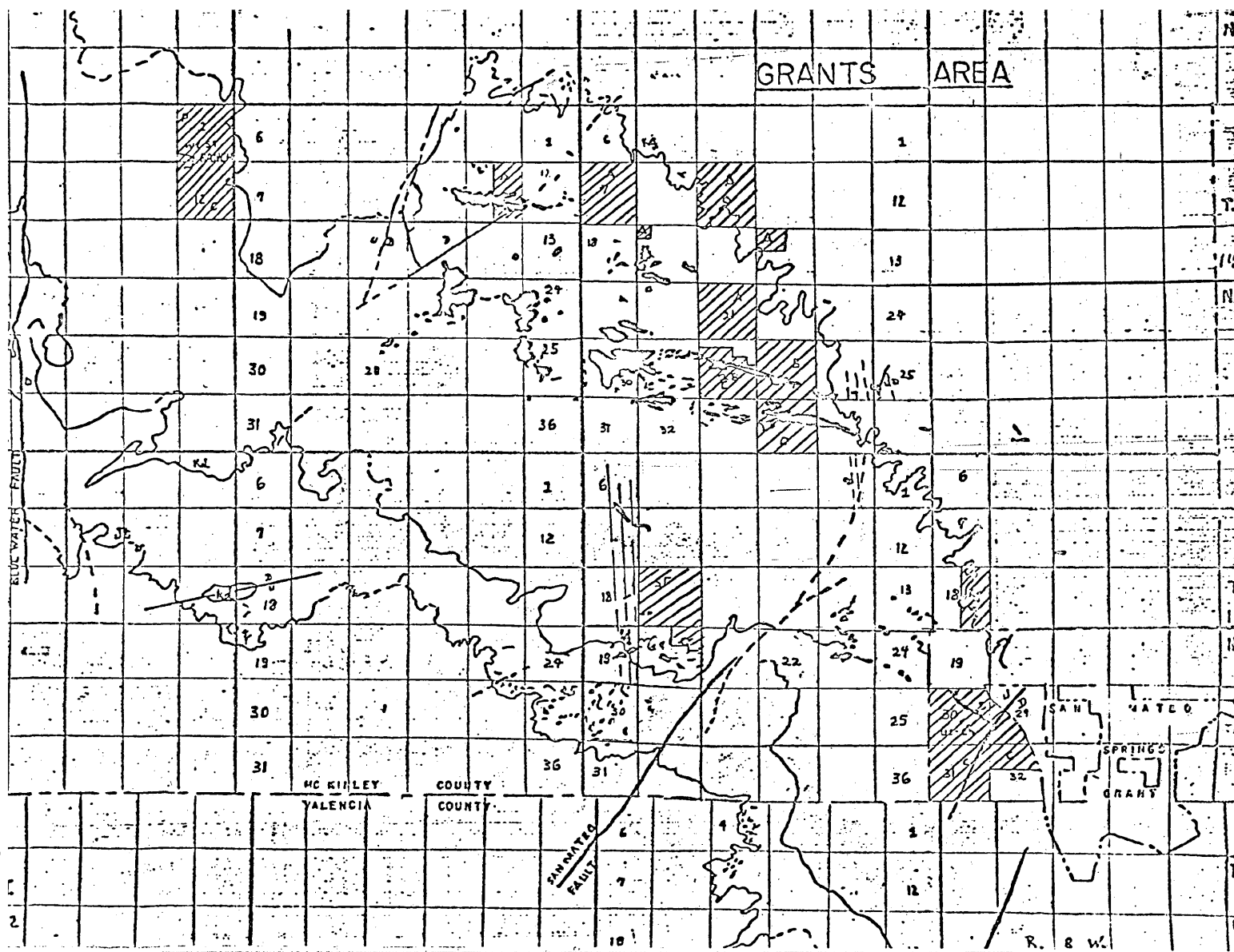
San Mateo Mine (rough description)

SW/4, W/2W/2NW/4, W/2SE/4 - Section 29; All of Section 30; All of Section 31; NW/4, W/2NE/4 of Section 32 approx. 1,754.00 acres

NON-PRODUCING Mine closed in December 1970 to production and equipment removed in first quarter 1971. 98 mining claims known as Nip, Oak, Rain and Rattler. Property has one to two million pounds potential in the down-faulted block (1900' deep) which is inaccessible from present mine workings.

Obligation: Annual assessment plus production royalty of about 10%.

UNC0090505



T13N, R9W

Section 17 (SFPRR Lease #9589)

640.00 acres

NON-PRODUCING Small ore bodies on the S/2 of the Section which could be mined from the Dog Mine on the South or the Gossett Mine on the Southwest. Reserves carried by the AEC shows 59,000 tons of .12 at a depth of 250 feet in the Poison Canyon.

Obligation: Recent negotiations with Santa Fe Pacific Railroad has increased the rent to \$10.00/acre and advance royalty to \$2.00/acre sliding to \$10.00/acre advance royalty in fifth year.

Section 20 (B-G Mining Claims)

approx. 120.00 acres

Rough description: N/2NE/4, N/2SE/4NE/4,
N/2N/2SE/4NE/4

PRODUCING Operating Agreement with Four Corners Exploration Co. for mining and development. Minor production. Anticipated deliveries from this property for calendar 1971, about 5,500 tons at .20.

Obligation: Annual assessment on 7 claims and contractual agreements with Four Corners.

Dog 7 & 9 - UNC 50% owner

Section 31 (SFPRR Lease #9832)

638.24 acres

NON-PRODUCING This is a Santa Fe Pacific Railroad Todilto Limestone property acquired by UNC. The Todilto crops out on the property and has yielded about 3,200 tons of .15 ore.

Obligation: Annual rent of \$2.00 per acre due August 1.

All - Section 33 (SFPRR)

640.00 acres

NON-PRODUCING Santa Fe Pacific Railroad limestone property prospected by Westvaco in mid 50's. About 500 tons has been stripped along the outcrop and shallow holes were drilled 50 to 100 feet.

Obligation: Santa Fe Pacific Railroad lease #9588; \$1.00 per acre due March 15.

T14N, R9W

Ambrosia Tracts (Private)

Portions of Sections 7, 9; NW/4 - Section 15,
NW/4NW/4 - Section 17; Section 21-14-9; and
parts of E/2 - Section 11-14-10.

NON-PRODUCING These properties were originally owned by S. Dysart who subdivided each into blocks and lots and sold them to individual investors; some lots are as small as 1/16 acre. Later Phillips unitized the properties for joint participation of all the royalty holders. Phillips, Kerr-McGee, Rio de Oro and S. Dysart obtained mining leases from individual owners and all of the properties are now a checkerboard of lease ownership. UNC succeeded to the Phillips interest. Potential litigation on tax problems concerning these properties.

Section 7

approx. 245.00 acres

NON-PRODUCING UNC drilled seven holes on the S/2 of the property but only two holes were mineralized. No other information.

Section 9

approx. 100.00 acres

NON-PRODUCING No drilling, no information.

Section 15

approx. 43.00 acres

NON-PRODUCING No drilling, no information.

Section 17 - NW/4NW/4

approx. 34.35 acres

NON-PRODUCING UNC drilled eleven holes on the property and defined a small ore pod near the south line of the lease area: One isolated hole in, approximately, the middle of the 40 acre tract cut strong mineralization. Indicated reserves are: 35,000 tons at .24. An additional 15,000 tons is possible.

Section 21

approx. 507.00 acres

NON-PRODUCING Phillips drilled two N-S fences of holes across the property and all 25 were barren. The samples were not logged but a penciled note on a report about the property said the Posion Canyon and Westwater were all light gray sands. The section needs to be re-checked.

Section 11-14-10 - E/2

approx. 56.00 acres

NON-PRODUCING This property is the Rio de Oro Mine which was depleted prior to UNC acquisition. Some low grade may yet be available but the Partnership controls the rest of the property and this acreage should be sold to UN-HP if ever this property is re-activated.

Obligation: "Workman-like manner" clause in the leases and royalty payments on production.

Section 27 Mine (Private)

640.00 acres

PRODUCING The S/2 of the property has been well drilled and the ore boundaries defined. Reserves as of 1/1/71 calculated by the Mining Division are:

621,583 Tons @ .230 2,833,831 Pounds

Obligation: S/2 owned by UNC with a 3% production royalty to Ranchers Corporation, and A. & L. Berryhill. UNC owns 50% of the N/2 of the property, the remaining 50% by Woods and North Central.

Section 28 (Ann Lee Mine) - Ann Lee Claims

460.00 acres

Rough description: S/2, S/2NW/4, S/2SW/4NE/4, S/2S/2SE/4NE/4

PRODUCING Patented claims cover the ore body and unpatented claims cover the rest of the section. The unpatented claims on the northern part of the property were released back to Ranchers Corporation.

Property essentially depleted but some muck will be taken from caved stopes, fringe pods or stringers on the south side of the ore body and from the shaft pillars. Reserves calculated by the Mining Division as of 1/1/71 are:

48,305 tons at .232 - 224,913 pounds

Obligation: Taxes on 10 patented claims and assessment on 19 unpatented claims. Production or drilling must be performed to maintain lease.

Section 34 (Sandstone Mine) - Sandstone Claims

640.00 acres

NON-PRODUCING Property closed to production in March 1970. The remaining reserves are economically marginal.

Obligation: Taxes on 18 patented claims and assessment on 27 unpatented claims. Production or drilling must be performed to maintain leases.

T15N, R9W

Pena Ranch (Private)

Sections 1, 3, 5, NE/4 & E/2 NW/4 Section 6; 7, 9,
NW/4 - Section 10; 11, 13, 15, 17, 19, 21, 23, 25,
27, 29, 31, 33 and 35 11,925.00 acres

NON-PRODUCING Wide spaced holes have been drilled to explore the property and satisfy the lease commitment. Two holes cut weak mineralization in the Westwater (one in Section 10 and one in Section 17) the best of which was 3 feet of .04.

The mineralization found is plus 2,000 feet in depth which creates a more expensive program. Kerr-McGee controls the remainder of the Township.

Obligation: 10 year lease dated 6/27/66. \$50 per acre rent due on anniversary date. Minimal drilling requirements still in effect (about 10,000 feet per year). Remaining rent to be paid if the property is dropped before expiration date.

T13N, R10W

Section 5 (SFPRR) 639.36 acres

NON-PRODUCING Minor prospecting by Westvaco. About 10 holes drilled behind mineral show in the Dakota outcrop. Small adit driven in Dakota, but no significant production. Westvaco drilled other holes on the property but no information is available.

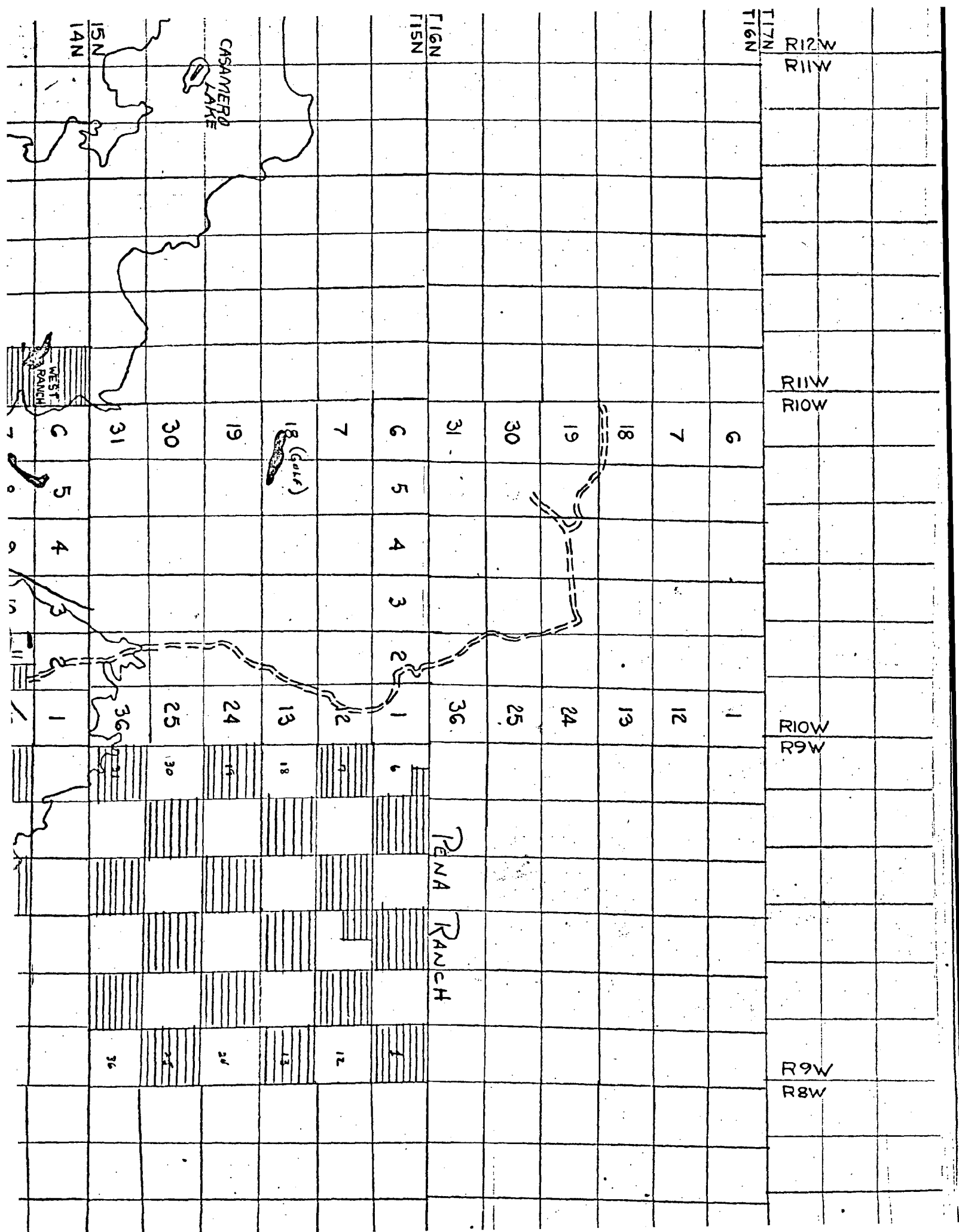
This property has been leased from Santa Fe Pacific Railroad for about 15 years. Depth to Poison Canyon 250 feet.

Obligation: Santa Fe Pacific Railroad lease #9442; \$1.00 per acre rent due March 16.

Section 13 (SFPRR) 640.00 acres

NON-PRODUCING Approximately 32 holes drilled on the property by Phillips. Mineralization was found in the Poison Canyon on the N/2 of the Section. The property may have the potential for a small Poison Canyon body. Depth to Poison Canyon 250 feet.

Obligation: Santa Fe Pacific Railroad Lease #9587; \$1.00 per acre rent due March 15.



UNC0090510

T13N, R10W

Section 19 (SFPRR Lease #9832)

644.64 acres

NON-PRODUCING Todilto limestone property with possibility of low grade clean-up.

Obligation: \$2.00 per acre rent due August 1, plus royalties to Santa Fe Pacific Railroad.

Section 23 (SFPRR Lease #9832)

640.64 acres

NON-PRODUCING Todilto limestone property with possibility of low grade clean-up.

Obligation: \$2.00 per acre rent due August 1, plus royalties to Santa Fe Pacific Railroad.

Section 25 (SFPRR Lease #9832)

557.16 acres

Todilto limestone property with strippable ore. Current reserves:

10,209 tons @ .203 41,451 pounds

Obligation: \$2.00 per acre rent due August 1, plus royalty to Santa Fe Pacific Railroad.

T14N, R10W

E/2 - Section 11 (See Ambrosia Tracts T14N, R9W)

T14N, R11W

Section 1 (Private)

approx. 640.00 acres

NON-PRODUCING West Ranch property containing ore grade rock in the Poison Canyon. Feasibility studies indicate this is a marginal ore body by present price schedules. UNC reserves for Section 1 are:

111,000 Tons of .20 - 444,000 Pounds

Obligation: Private land owned by A. & D. Berryhill. Advance royalty of \$1,500.00 per year due July 6. 10 year lease dated 7/6/66.

Section 12 (Glenda Claims)

approx. 640.00 acres

NON-PRODUCING West Ranch property; 50-50 joint venture with Kerr McGee. Property not completely evaluated but mineral trend from Section 1 extends into the NW/4. Total reserves carried for Section 12:

38,000 tons @ .215 163,400 pounds

The property may have more potential.

Obligation: 50-50 joint venture with Kerr McGee. Annual assessment on 40 unpatented mining claims. \$750.00 per year advance royalty to D. Berryhill due November 14.

CHURCHROCK AREA

T16N, R16W

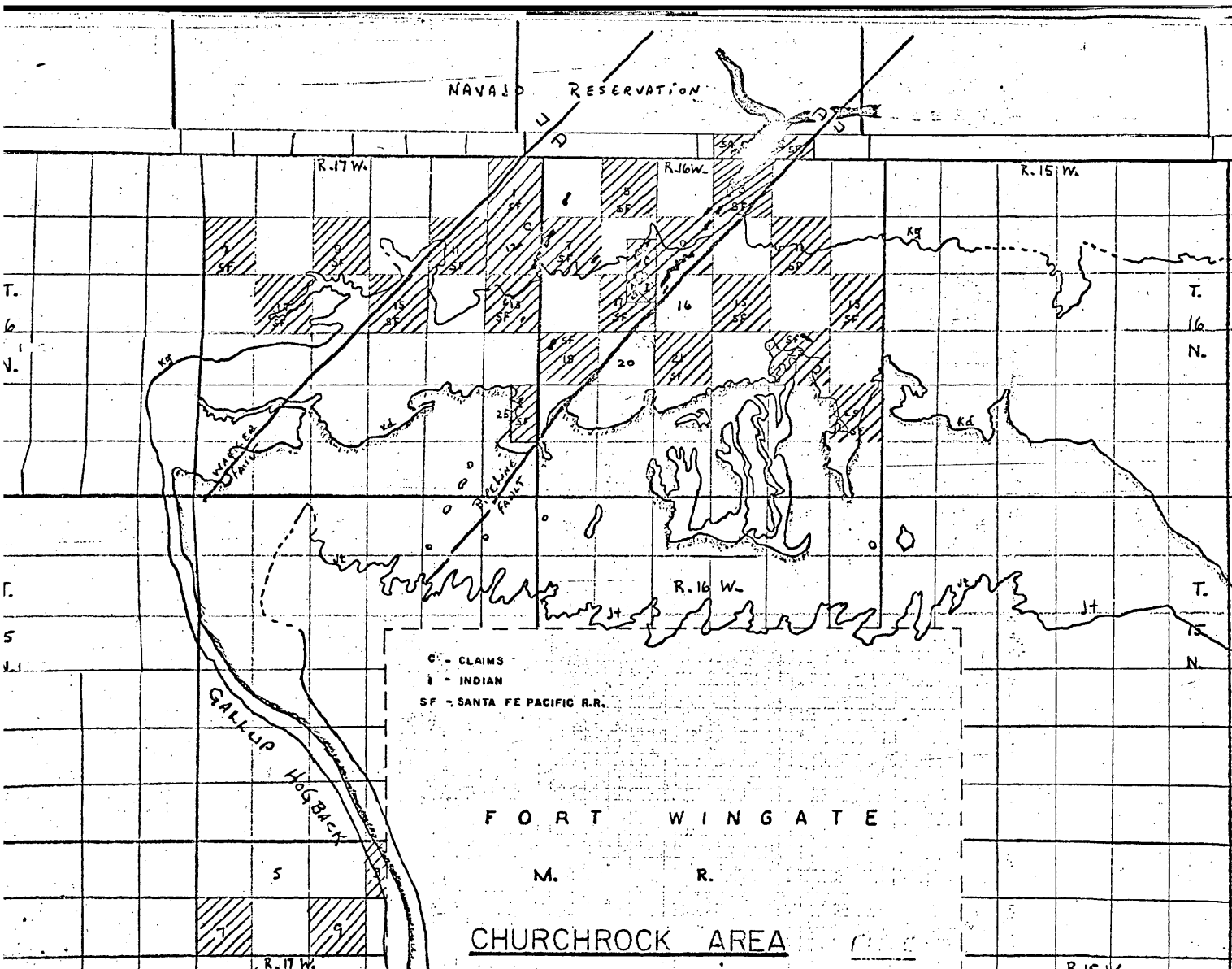
Section 3 (SFPRR)

601.80 acres

NON-PRODUCING The NE Churchrock ore body extends into this property. The mineralized trend extends from NE to SW through the SW corner of the section. Roughly three million pounds are contained in this section.

Obligation: Santa Fe Pacific Railroad lease #9591; \$1.00 per acre rent due July 25.

UNC0090513



Section 5 (SFPRR)

606.88 acres

NON-PRODUCING This property is unexplored and the potential is unknown. The section may show all fresh ground but at least a 4 hole drilling program (one hole per quarter section) should be completed before an evaluation can be made.

Obligation: Santa Fe Pacific Railroad Lease #9591; \$1.00 per acre rent due July 25.

Section 7 (SFPRR)

592.92 acres

NON-PRODUCING This property partially explored and has additional potential. The most promising areas appear to be the W/2 and the SE/4. Estimated reserves are:

185,000 Tons at .143 - 529,100 Pounds

Drilling depths will range to 1600 feet.

Obligation: Santa Fe Pacific Railroad lease #9578; \$1.00 per acre rent due March 21.

SE/4 - Section 8 (81616 Claims)

approx. 200.00 acres

NON-PRODUCING This property is part of the Churchrock 1 ore body. Estimated reserves are:

620,554 Tons at .138 - 1,712,729 Pounds

Obligation: Patented Claims owned by UNC.

Section 9 (SFPRR)

640.00 acres

NON-PRODUCING This property recently explored for Dakota-Brushy Basin mineral trends. Westwater is altered in the S/2 and a geochemical cell is present in the Dakota-Brushy Basin whose front trends SW-NE: altered on the SE side. Estimated reserves are:

227,376 tons at .169 - 768,208 pounds

Additional potential exists in the Westwater in the NW/4 of the section and the Dakota trend has potential in the E/2.

Obligation: Santa Fe Pacific Railroad Lease #9578; \$1.00 per acre rent due March 21.

Section 11 (SFPRR)

640.00 acres

NON-PRODUCING All information about this section indicates the Westwater is altered. The geology of the Kd-Jmbb is uncertain and check drilling would be justified. The KD alteration on Section 9 is extremely subtle and could easily be missed. The old sample logs give no clue to the geology of the Kd-Jmbb although the interpretation of the Jmwc is readily discernible. 11 holes have been drilled on this section and no significant mineralization has been found in the Kd-Jmbb. Weak mineralization was found in the Jmwc.

Obligation: Santa Fe Pacific Railroad Lease #9669; \$1.00 per acre rent due August 10.

Section 13 (SFPRR)

640.00 acres

NON-PRODUCING Same evaluation as 11: altered Jmwc and geology of Kd-Jmbb unknown. 12 holes have been drilled on the property and one hole showed an anomaly in a lower Jmbb sand. "Rabbit ears" anomalies show in the Jmwc as would be expected in altered ground. A few holes would be justified to evaluate the Kd-Jmbb.

Obligation: Santa Fe Pacific Railroad lease # 9674; \$1.00 per acre rent due September 21.

Section 15 (SFPRR)

640.00 acres

NON-PRODUCING Same evaluation as for 11: Jmwc altered, Kd-Jmbb not certain. This property is fairly close to the outcrop and some of the old sample logs indicate alteration in Kd and Jmbb in those holes close to the outcrop. 13 holes have been drilled and weak mineralization was noted in one hole in the Jmbb. "Rabbit-ears" anomalies are not unusual in the Jmwc. A few holes would be justified to check out the Kd-Jmbb.

Obligation: Santa Fe Pacific Railroad Lease # 9674; \$1.00 per acre rent due September 21.

Section 17 (SFPRR)
(Churchrock 1 Mine)

640.00 acres

NON-PRODUCING Shaft abandoned in 1963 and now flooded. Shaft depth: 865 feet; mined by Phillips and Blackrock; 77,964 tons of .194 produced from Dakota and Westwater. Estimated reserves are:

517,962 tons at .144 - 1,491,437 pounds

Obligation: Santa Fe Pacific Railroad Lease #9578; \$1.00 per acre rent due March 21.

Section 19 (SFPRR)

602.52 acres

NON-PRODUCING Property fairly well drilled by Phillips and Sabre Pinon. Jmwc is altered but the geology of the Kd-Jmbb is not clear. Low-grade Kd mineralization was found in the NW/4. Estimated reserves are:

180,000 Tons at .10 - 360,000 Pounds

Drilling depths range to 200 feet.

Obligation: Santa Fe Pacific Railroad lease #9701; \$1.00 per acre due July 2.

Section 21 (SFPRR)

640.00 acres

NON-PRODUCING 27 holes drilled and "rabbit ears" anomalies have been found in Kd and Jmbb. Property fairly close to the outcrop. Jmwc should be altered - no sample logs.

Obligation: Santa Fe Pacific Railroad Lease #9674; \$1.00 per acre due September 21.

Section 23 (SFPRR)

640.00 acres

NON-PRODUCING Property fairly well drilled and a small mineralized pod found. No sample logs but property is close to the outcrop and should be altered. Verbal report that Jmwc was red.

Mineralization at 450 feet in A₂ zone (lower Jmwc) in NE/4 of the section. Probably a remnant. Estimated reserves:

25,000 Tons at .142 - 71,000 Pounds

Obligation: Santa Fe Pacific Railroad lease #9674; \$1.00 per acre rent due September 21.

Section 25 (SFPRR)

640.00 acres

NON-PRODUCING Only 4 holes drilled on the section. No sample logs but section located on the outcrop. Likely the Jmwc and Kd-Jmbb is altered.

Obligation: Santa Fe Pacific Railroad Lease # 9674; \$1.00 per acre rent due September 21.

T17N, R16W

S/2 Fractional - Section 34
(Regina Mining Claims)

Approx. 310.00 acres

NON-PRODUCING This property covers part of the NE Churchrock ore body. Roughly 3 million pounds are on Section 34.

Obligation: Taxes on 4 patented mining claims and annual assessment on 6 unpatented claims.

S/2 (Fractional) - Section 35 (SFPRR)

310.78 acres

PRODUCING Producing property on stand-by basis. Shaft completed and one heading in ore. Roughly 11 million pounds in reserve. Total reserve of NE Churchrock (Sections 34 & 35-17-16 and Section 3-16-16):

3,884,410 Tons at .226 - 17,531,527 Pounds

Obligation: Santa Fe Pacific Railroad Lease #9591; \$1.00 per acre rent due July 25, plus royalty.

T16N, R17W

Section 1 (SFPRR Lease #9669)

614.00 acres

NON-PRODUCING Several holes drilled but information lacking.

Obligation: \$1.00 per acre rent due August 10.

Section 7 (SFPRR Lease #9669)

632.52 acres

NON-PRODUCING Two barren holes drilled on this property. The sample logs suggest fresh Jmwc although any subtle alteration might have been missed. Needs additional drilling for complete evaluation.

Obligation: \$1.00 per acre rent due August 10.

Section 9 (SFPRR Lease #9669)

640.00 acres

NON-PRODUCING Two barren holes drilled on this property. Sample logs suggest kaolinitic alteration. Needs additional drilling for complete evaluation.

Obligation: \$1.00 per acre rent due August 10.

Section 11 (SFPRR Lease #9669)

640.00 acres

NON-PRODUCING Seven holes drilled but sample logs lacking. Possibly altered Jmwc. Needs more drilling for complete evaluation.

Obligation: \$1.00 per acre rent due August 10.

Section 12 (121617 Mining Claims 1-38)

Approx. 640.00 acres

NON-PRODUCING Property partially explored and ore-grade rock found in SE/4. Mineralization is cell related but sample logs are lacking. Mineral trend appears to be NE-SW. Ore reserves:

146,000 Tons at .194

Obligation: Annual Assessment on 38 claims.

Section 13 (SFPRR Lease #9578)

640.00 acres

NON-PRODUCING Property explored by Phillips. About 50 holes drilled but sample logs are lacking. Scattered mineralization found but property may have some potential. Trend from adjacent Section 12 probably extends into 13.

Obligation: \$1.00 per acre rent due March 21.

Section 15 (SFPRR Lease #9669)

640.00 acres

NON-PRODUCING Phillips drilled 7 barren holes on the property but sample logs are lacking. Actual potential is unknown but the section lies in proximity to a cell. Needs additional drilling.

Obligation: \$1.00 per acre rent due August 10.

Section 17 (SFPRR Lease #9669)

640.00 acres

NON-PRODUCING Phillips drilled 2 barren holes on the property but sample logs are lacking. The potential is unknown; additional drilling is needed.

Obligation: \$1.00 per acre rent on 640.00 acres due August 10.

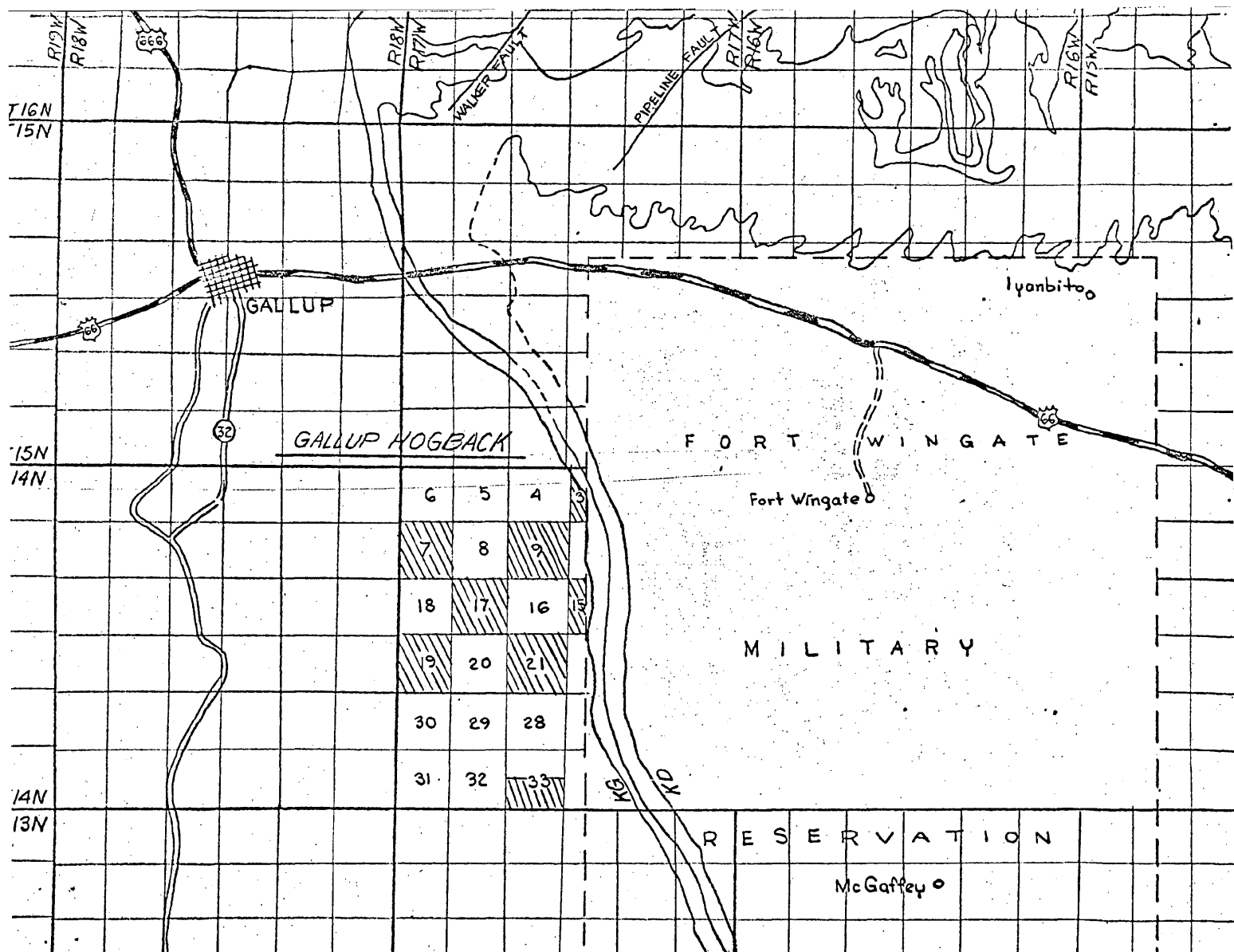
E/2 Section 25 (SFPRR Lease #9669)

320.00 acres

NON-PRODUCING 67 holes were drilled on the property by Phillips and Sabre Pinon. The Morrison outcrops on the section and appears to be all altered. Mineralization was found in the Dakota and Brushy Basin but the thickness and grade are too low to be considered ore reserves. The property has little or no potential.

Obligation: \$1.00 per acre rent due August 10.

UNC0090520



Gallup Hogback Area

T14N, R17W (SFPRR) Lease #9841

Fractional W/2 - Section 3	235.56 acres
Fractional - Section 7	638.12 acres
All - Section 9	640.00 acres
Fractional W/2 - Section 15	236.88 acres
All - Section 17	640.00 acres
All - Section 19	640.88 acres
All - Section 21	640.00 acres
S/2 - Section 33	320.00 acres

NON-PRODUCING These are all unexplored properties acquired by negotiation in November 1969, from Santa Fe Pacific Railroad. The sections lie on the west side of the Zuni uplift covering potentially important Westwater or Zuni sandstone ore deposits. The Morrison outcrop appears to be altered and a cell is expected to be found in the subsurface. Mineralization in the area occurs at the base of the Dakota.

Obligation: Sliding scale rent from \$1.00 to \$5.00 (\$5.00 in the fifth year).

Window Rock Area

T17N, R21W (SFPRR) Lease # C-15-2

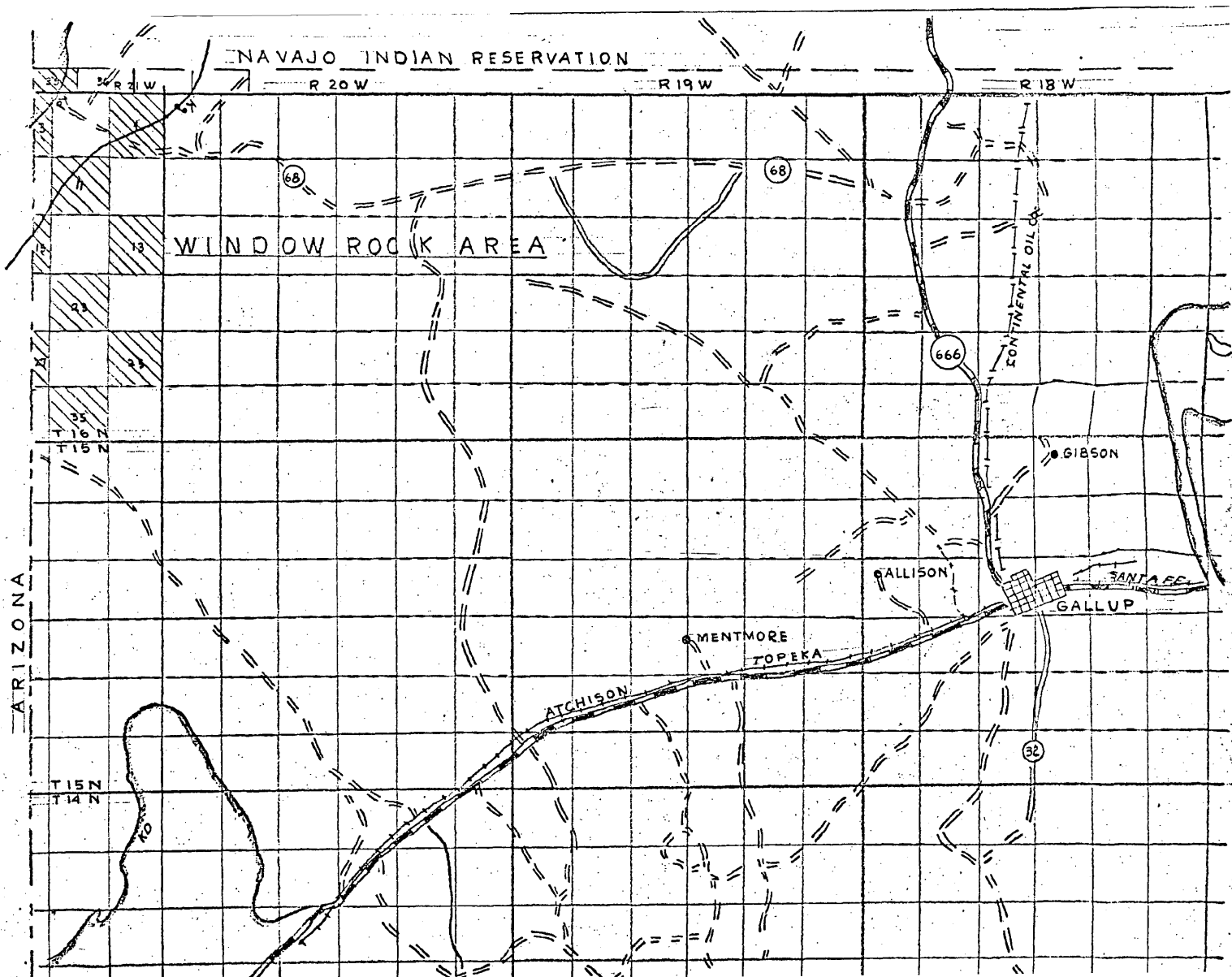
S/2 - Section 35	206.97 acres
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T16N, R21W

All - Section 1	644.82 acres
Fractional E/2 - Section 3	123.36 acres
All - Section 11	640.00 acres
All - Section 13	640.00 acres
Fractional E/2 - Section 15	128.06 acres
All - Section 23	640.00 acres
All - Section 25	640.00 acres
Fractional E/2 - Section 27	128.80 acres
All - Section 35	640.00 acres

NON-PRODUCING The properties were acquired by bid of Santa Fe Railroad lands offered in October, 1968. Sufficient drilling has been done by Teton to establish that the properties all cover altered ground and have little or no potential. They should be dropped or farmed out.

Obligation: Santa Fe Railroad three year option dated 11/6/68. \$10.00 per acre (\$44,330.00) in exploration or development shall have been spent in first two years in order to hold entire acreage (4433 acres). To date about \$65,000.00 has been spent in drilling, logging and site preparation.



UNC0090522

CHAMA BASIN AREA

Yeso Property
(Mining Claims)

T26N, R4E

Portions of Sections 26, 27, 33, 34, 35, 36 Approx. 1,001.00 acres

T25N, R4E

Portions of Sections 1, 2, 3, 4, 12 Approx. 1,301.00 acres

T26N, R5E

Portions of Sections 22, 23, 25, 26, 27, 33,
34, 35, 36 Approx. 2,465.00 acres

T25N, R5E

Portions of Sections 1, 2, 3, 4, 5, 7, 8, 9,
10, 11 Approx. 4,606.00 acres

T26N, R6E

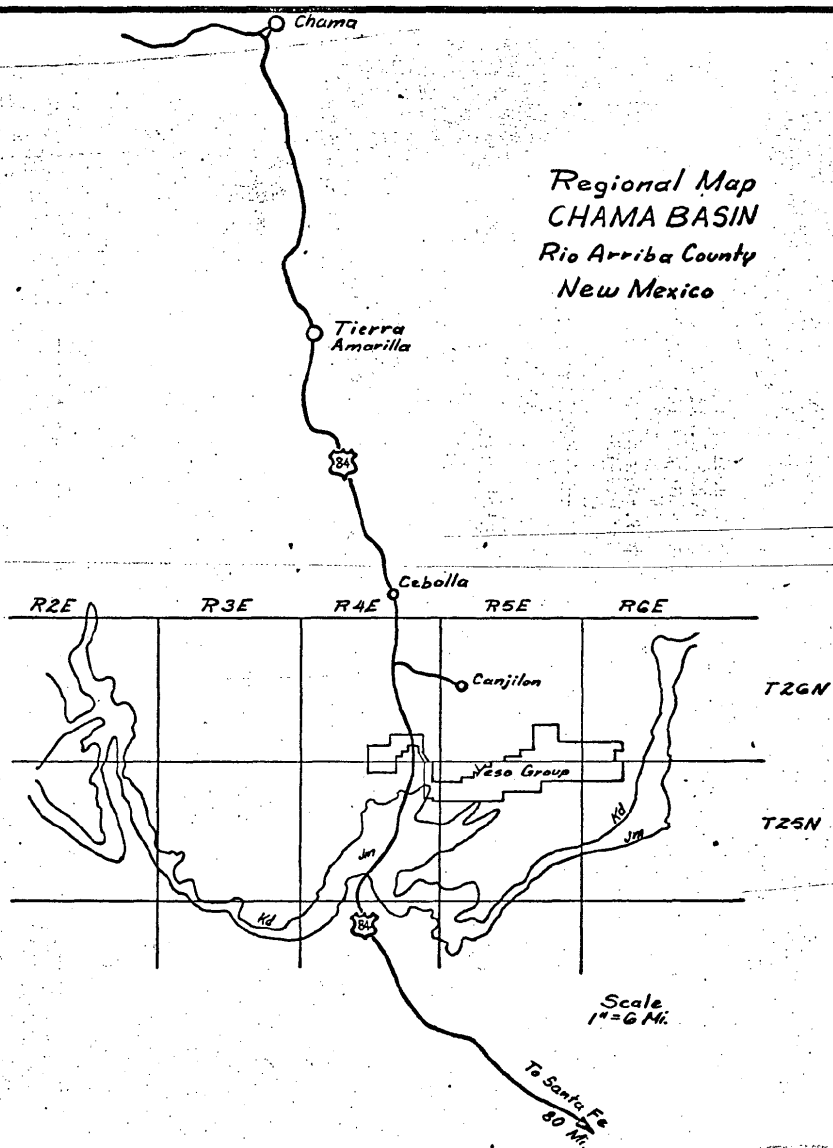
Portions of Sections 29, 30, 31, 32 Approx. 1,274.00 acres

T25N, R6E

Portions of Sections 5, 6, 7, 8 Approx. 1,208.00 acres
11,854.00 acres

NON-PRODUCING Mineralization has been found along a NE-SW front in Section 3, 4, 8 and 9, T25N, R5E. The mineral trend appears persistent but is very low grade and cannot be considered ore reserves by today's price schedule. Only a minimum of the claims should be maintained or the property farmed out.

Obligation: Assessment work (\$100.00 per claim).



SUMMARY OF ACREAGE

Santa Fe Pacific Railroad Leases

SFPRR leases more than 10 years old:

Arch Mesa	320.00 acres
Ambrosia	2,559.36 acres
Churchrock	<u>12,603.42</u> acres
	15,482.78 acres

SFPRR lands acquired November, 1968:

King Ranch	4,376.67 acres
Arch Mesa	320.00 acres
Window Rock	<u>4,432.51</u> acres
	9,129.18 acres

SFPRR lands acquired November, 1969:

King Ranch	20,992.24 acres
Gallup Hogback	<u>3,991.44</u> acres
	24,983.68 acres

SFPRR (Haystack) limestone leases (M & M)

Ambrosia	<u>2,480.68</u> acres
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Total all SFPRR	52,076.32 acres
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Private

Major's Ranch	14,000.00 acres
Seboyeta Land & Cattle Co. (Cebolleta)	24,217.40 acres
Ambrosia Tracts	985.35 acres
United Nuclear & Others (Sec. 27)	640.00 acres
Pena Ranch	11,925.00 acres
West Ranch (Berryhill)	640.00 acres
Patented Land (SE/4 Sec. 8-16-16)	<u>200.00</u> acres

Total All Private	52,607.75 acres
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State

King Ranch Area	1,271.72 acres
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Mining Claims

Arch Mesa	1,801.00 acres
Ambrosia	3,974.00 acres
Churchrock	950.00 acres
Chama Basin	<u>11,854.00 acres</u>
	18,579.00 acres

TOTALS:

SFPRR	52,076.32	<u>DELETED</u> - AS OF 6/28/71
Private	52,607.75	<u>(171777)</u> - KING RANCH -
State	1,271.72	
Mining Claims	<u>18,579.00</u>	<u>(180069)</u> - ARCH MESA
	124,534.79	

PROPERTY ABANDONED DURING 1970

SFPRR Lands

KSN Leases (UNC interest purchased by KSN)	1,928.08 acres
Benevidez Ranch Acquired 1969 (Lease #9841)	13,153.31 acres
Ambrosia Area Leases Acquired 1969 (Lease #9841)	<u>3,900.40 acres</u>
	18,981.79 acres

Private Land

Major's Ranch (Approx. $\frac{1}{2}$ of Ranch)	13,000.00 acres
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Mining Claims

Chama Basin (Yeso-Viejo)	13,146.00 acres
Ambrosia (Sold Frosty-Ox in 31-14-8 to Enerdyne)	<u>320.00 acres</u>
	13,466.00 acres

TOTAL	<u>45,447.79 acres</u>
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Acreage by Location:

King Ranch

Acres

SFPRR (November 1968)	4,376.67
SFPRR (November 1969)	20,992.24
State (Specso)	<u>1,271.72</u>
	26,640.63

Major's Ranch

Private (H. Major)	14,000.00
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Arch Mesa

SFPRR (10 year old leases)	320.00
SFPRR (November 1968)	320.00
Mining Claims	<u>1,800.69</u>
	2,440.69

Cebolleta

Private (Seboyeta Land & Cattle Co.)	24,217.40
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Ambrosia

SFPRR (10 year old leases)	2,559.36
SFPRR (limestone leases)	2,480.68
Mining Claims (Palo Verde-B-G- San Mateo Mine-Ann Lee Mine- Sandstone Mine-Glenda)	3,974.00
Ambrosia Tracts	985.35
Section 27 Mine	640.00
Pena Ranch	11,925.00
West Ranch (Berryhill)	<u>640.00</u>
	23,204.39

Churchrock

SFPRR (10 year old leases)	12,603.42
Mining Claims (Regina -81616-121617)	<u>1,150.00</u>
	13,753.42

Gallup Hogback

SFPRR (November 1969)	3,991.44
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Window Rock

SFPRR (November 1968)

Acres

4,432.51

Chama Basin

Mining Claims (Yeso-Viejo)

11,854.00

GRAND TOTAL.....124,534.48 -

DROPPED AS OF 6/28/71

KING RANCH - - 1717.77

ARCH MESA - - 1800.69

121,016.02

Ⓢ PER CONVERSATION @ HAYS BY
BOB SENSEL

SUMMARY OF ORE RESERVES

	<u>Tons</u>	<u>Grade</u>	<u>Pounds</u>
Arch Mesa (Sec. 13-12-4)	88,533	.180	318,719
Cebolleta	1,561,945	.188	5,874,446
San Mateo Mine	- Depleted -		
Section 27 Mine	621,583	.230	2,833,831
Ann Lee Mine	48,305	.232	224,913
Sandstone Mine	- Reserves Uneconomic -		
Palo Verde (E/2 Sec. 18-13-8)	527,117	.229	2,409,884
Section 17-14-9	35,000	.240	168,000
Section 17-13-9	59,000	.120	141,600
B-G Claims (4 corners)	5,500	.20	22,000
Section 25-13-10 (limestone)	10,209	.203	41,451
West Ranch (Section 1 & 12)	150,000	.200	600,000
NE Churchrock (34 & 35 & 3)	3,884,410	.226	17,531,527
Section 7-16-16	185,000	.143	529,100
SE/4 - Section 8-16-16	620,554	.138	1,712,729
Section 9-16-16	227,376	.169	768,208
Churchrock I (Section 17)	517,962	.144	1,491,437
Section 19-16-16	180,000	.10	360,000
Section 23-16-16	25,000	.142	71,000
Section 12-16-17	<u>146,000</u>	<u>.194</u>	<u>566,480</u>
	8,893,494	.201	35,665,325